

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

TIBCO SOFTWARE, INC., a
Delaware corporation

No. C 05-2084 WDB

Plaintiff,

v.

TIBCO INDUSTRIAL, INC.,

Defendant.

AMENDED ORDER
RESCHEDULING HEARING RE
MOTION FOR DEFAULT
JUDGMENT AND PERMITTING
SUPPLEMENTAL SUBMISSIONS
FROM PLAINTIFF

The Court has reviewed plaintiff's Motion for Default Judgment, filed September 7, 2005 ("Motion").

It is not clear to us, based on plaintiff's submissions thus far made, that the facts as set forth in plaintiff's papers would support a finding of liability on any of plaintiff's theories. The Court primarily is concerned about the apparently considerable difference between the services/products provided by the two companies. In particular, the Court is concerned about the following.

1. Plaintiff has not addressed the factors to be considered by the Court in determining whether to enter judgment by default. *Eitel v. McCool*, 782 F.2d 1470 (9th Cir. 1986). Among other things, *Eitel* directs the Court to consider "the merits of plaintiff's substantive claim[s]." We identify concerns about the merits of

1 plaintiff's claims below. We also note that, by failing to respond to the complaint,
2 defendant does not admit facts not well-pleaded in the complaint or mere conclusions
3 of law. *E.g.*, *Pitts v. Seneca Sports, Inc.*, 321 F. Supp. 2d 1353 (S.D. GA 2004); see
4 also, *Cripps v. Life Ins. Co. of North America*, 980 F.2d 1261 (9th Cir. 1992).

5 2. With respect to plaintiff's claims for trademark infringement and false
6 designation, plaintiff has not set forth facts that address each of the "*Sleekcraft*"
7 factors. The Court is especially concerned with factors pertaining to the relatedness
8 of the two companies' products or services. The Ninth Circuit notes that "[e]ven
9 where there is precise identity of a complainant's and an alleged infringer's mark,
10 there may be no consumer confusion – and thus no trademark infringement – if the
11 alleged infringer is in a different geographic area or in a wholly different industry."
12 *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036,
13 1054 (9th Cir. 1999) emphasis added. *See also*, *Interstellar Starship Services, Ltd.,*
14 *v. Epix, Inc.*, 304 F.3d 936 (9th Cir. 2002) (*Sleekcraft* factors as applied to domain
15 name use – "as a matter of law," not all uses of www.epix.com generate initial interest
16 confusion with the EPIX mark).

17 3. With respect to plaintiff's claim for trademark dilution, among other
18 things, plaintiff has not set forth facts that could support a finding that plaintiff's mark
19 is sufficiently "famous" to support a claim for dilution from a product outside
20 plaintiff's niche market. *Thane Int'l., Inc., v. Trek Bicycle Corporation*, 305 F.3d 894
21 (9th Cir. 2002). Additionally, as we read plaintiff's complaint, plaintiff alleges that
22 defendant's use of "Tibco" "threatens" to dilute and "creates a likelihood of dilution,"
23 but the Supreme Court has held that 15 U.S.C. §1125(c)(1) "unambiguously requires
24 a showing of actual dilution, rather than a likelihood of dilution." *Moseley v. V Secret*
25 *Catalogue, Inc.*, 537 U.S. 418, 433 (2003) emphasis added. Moreover, it is not clear
26 from plaintiff's complaint how defendant's use of the mark allegedly dilutes the mark
27 – e.g., tarnishing, blurring, other.

1 4. Finally, if plaintiff's complaint is sufficient to establish liability, we have
2 concerns about the scope of plaintiff's requested injunction.

3 First, the scope of the injunction sought, as described in plaintiff's Motion, is
4 broader than that set forth in plaintiff's complaint. Has defendant received proper
5 notice about the scope of the risk it faced by ignoring the complaint?

6 Second, plaintiff seeks an injunction requiring defendant to destroy all
7 materials bearing the Tibco mark. Case law indicates that such a remedy is generally
8 unnecessary. What factors necessitate use of this remedy in this case (assuming the
9 Court can order remedies not sought in the complaint)?

10 Third, plaintiff asks the Court to order "the registrar" to transfer defendant's
11 domain name to plaintiff. Assuming plaintiff can establish that use of the domain
12 name infringes (see, *Epix, Inc.*, 304 F.3d 936), what is the source of authority for
13 plaintiff's position that this Court has jurisdiction over "the registrar?" Moreover,
14 Congress provided for the transfer of a domain name to a mark owner in 15 U.S.C.
15 §1125(d) with respect to claims for "cyberpiracy." Plaintiff has not asserted a claim
16 under §1125(d). What authority supports an award of the relief requested in
17 connection with trademark infringement, false designation, or dilution claims?

18 5. Plaintiff's complaint includes a claim for "unfair competition." Plaintiff's
19 Motion does not separately address the elements of this claim. We assume that, under
20 the circumstances of this case, plaintiff has concluded that its claim for unfair
21 competition is co-extensive with and redundant of its remaining claims.

22 For the above reasons, the Court is inclined to recommend that the District
23 Judge to whom this matter will be reassigned deny plaintiff's motion for default
24 judgment. However, plaintiff may, if it chooses, submit additional evidentiary and
25 legal submissions that address the concerns identified above.

1 **By Monday, November 7, 2005**, plaintiff must file with the Court and serve
2 on defendant supplemental evidentiary and legal submissions, if any, that address the
3 above matters.

4 **By Monday, November 21, 2005**, defendant must file and serve its response,
5 if any, to plaintiff's submissions.

6 The Court VACATES the hearing currently scheduled for October 26, 2005,
7 at 2:30 p.m..

8 If plaintiff files supplemental submissions on November 7th, the Court will
9 conduct a hearing in connection with plaintiff's Motion for Default Judgment **on**
10 **December 7, 2005, at 2:15 p.m.**

11 If plaintiff does *not* file supplemental submissions on November 7th, the Court
12 will not conduct a hearing, and plaintiff's Motion for Default Judgment will be
13 DEEMED SUBMITTED. The Court will issue its report and recommendation based
14 on the papers without oral argument.

15 **Plaintiff must immediately serve defendant with a copy of this order.**
16 **IT IS SO ORDERED.**

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18 Dated: October 24, 2005

/s/ Wayne D. Brazil
WAYNE D. BRAZIL
United States Magistrate Judge

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20 Copies e-mailed to:
21 parties of record,
22 WDB, stats
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